SERVICE DATE - SEPTEMBER 25, 2026

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36955

5E SVM RAILWAY COMPANY, LLC—ACQUISITION AND OPERATION EXEMPTION—ASSETS OF TRONA RAILWAY COMPANY LLC

Digest:[1] This decision permits 5E SVM Railway Company, LLC, to acquire the rail line of Trona Railway Company LLC, Debtor, on an expedited basis.

Decided: September 24, 2026

On September 16, 2026, 5E SVM Railway Company, LLC (SVMR), a noncarrier, filed a verified notice of exemption under 49 C.F.R. § 1150.31 to acquire and operate a rail line owned by Trona Railway Company LLC, Debtor (TRC), extending from milepost 0.0 at Searles Junction, Cal., to the end of the line at milepost 30.6 in Trona, Cal., a distance of approximately 30.6 miles. TRC provides rail service to a mining facility in Trona that is owned by TRC's parent, Searles Valley Minerals Inc. (SVM). (Pet. 1.) Notice of the exemption was published in the Federal Register on September 25, 2026 (91 Fed. Reg. 61,020).

Under 49 C.F.R. § 1150.32(b) a notice of exemption will be effective 30 days after it is filed. Thus, the earliest SVMR could consummate the transaction would be October 16, 2026 (30 days after the exemption was filed).

With its notice, however, SVMR filed a petition to waive the 30-day effectiveness period to permit SVMR's notice of exemption to become effective September 30, 2026. The petition explains that both SVM and TRC have entered into bankruptcy and that SVMR's parent, 5E SVM, LLC (5E SVM), has entered into an Asset Purchase Agreement with SVM, TRC, and a third SVM affiliate providing for the acquisition by 5E SVM or its designee of substantially all of the assets of SVM, including the rail assets of TRC. (Pet. 1-2.) SVMR states that it was formed as a new noncarrier subsidiary of 5E SVM to acquire the TRC assets and to provide rail service to the Trona mining operation that will be acquired by a SVMR affiliate. (Id. at 2.) SVMR indicates that it will be providing employment to all nine of TRC's employees and will assume the existing collective bargaining agreement of the TRC employees. (Id. at 3.) According to the petition, the parties intend to consummate the transactions contemplated by the Asset Purchase Agreement on October 1, 2026, and if the sale of the rail assets cannot close at that time, the estates of SVM and TRC would incur substantial additional professional costs and

[1] The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol'y Statement on Plain Language Digs. in Decisions, EP 696 (STB served Sept. 2, 2010).

TRC's employees would experience uncertainty as they transition to SVMR. (Id. at 2.) SVMR also argues that incurring additional expenses will deplete the estates' remaining assets, thereby reducing the ultimate recovery available to creditors. (Id.)

For good cause shown, the Board will grant the unopposed petition and waive the 30-day requirement under 49 C.F.R. § 1150.32(b) to permit the exemption to take effect immediately. While the Board takes seriously the requirements of 49 C.F.R. § 1150.32(b), the circumstances of this case indicate that a waiver is appropriate, especially given that it is unopposed and given the negative impact that a disruption would have on TRC's employees, as well as the additional costs to the parties of the Asset Purchase Agreement.

It is ordered:

1. The petition for waiver is granted.

2. The 30-day provision under 49 C.F.R. § 1150.32(b) is waived, and SVMR's notice of exemption shall become effective on the service date of this decision.

3. This decision is effective on its date of service.

By the Board, Board Members Fuchs, Hedlund, Kloster, and Schultz.